

23 June 1964

MEMORANDUM FOR: Chief, Ground Systems Division

SUBJECT : Request for Additional Funding and Extension of Time, Contract 936 with [REDACTED]

1. A contract for approximately [REDACTED] was placed with [REDACTED] for the development of a miniature recorder. This contract has been supplemented with an additional [REDACTED] of funds and a letter is currently being processed for still an additional [REDACTED]

2. In spite of the financial performance and the poor schedule of performance, I understand we now have a contract with [REDACTED] to produce an additional five engineering models. Furthermore, a joint OPD/GSD budget paper indicates procurement of an additional ten units as desirable.

3. It has been developed this morning in conversation with [REDACTED] that the following action will be taken:

GSD

a. A plan and schedule will be developed for tests on the three units deliverable under the present contract.

b. These tests which will include life and environmental tests will be conducted and evaluated.

c. An acceptance test procedure will be developed and included in the contract for five engineering models to assure that the items delivered will meet the requirements.

d. An estimate will be produced of the anticipated procurement by years for the next three fiscal years.

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LOGISTICS [REDACTED]

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a. Procurement will instruct [REDACTED] not to start production of the five engineering models or to do any other work under that contract until GSD has evaluated the tests.

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b. Procurement will investigate whether other sources can manufacture the recorder if it proves successful or whether [REDACTED] has proprietary rights. If the item is not proprietary, the contract for engineering models may be amended to call for the delivery of manufacturing drawings.

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[REDACTED]
DAD/S&D

25X1A

Distribution:

1 - Addressee

1 - [REDACTED]